MINUTES OF MEETING OF
AMBULATORY SURGICAL SERVICES TECHNICAL ADVISORY COMMITTEE
Department of Community Health, Division of Health Planning
2 Peachtree Street, 34th Floor Conference Room
Atlanta, Georgia 30303-3159
Tuesday, June 24, 2003 ■ 1:30 pm – 3:30 pm

William "Buck" Baker, Jr., M.D., Chair, Presiding

MEMBERS PRESENT

Tary Brown
Sylvia Caley, RN, JD
W. Clay Campbell
Billy Carr
Kevin Chilvers
Daniel DeLoach, MD
J. Keener Lynn
Wallace McLeod, MD
Mark M. Mullin
William T. Richardson, FACHE
Temple Sellers, Esq. For Don E. Tomberlin, Sr.
William Silver, MD
Stephanie Simmons
David Tatum
Carol Zafiratos

MEMBERS ABSENT

Kathy Floyd
Raymer Sale, Jr.

GUESTS PRESENT

Todd Bacon, Northeast Georgia Health System
Armando Basarratte, Parker, Hudson, Rainer & Dobbs
Alison Baxter, Gill/Balsano Consulting
Jeffrey Baxter, Esq., Nelson Mullins
Bill Calhoun, Esq., Langley & Lee
Joy Davis, Rockdale Hospital
Ethan James, DHR/Office of Regulatory Services
Everette Jenkins, Strategic Health Concepts
Ed Lovern, Piedmont Hospital
Melissa Malcom, Meadows & Lewis
S. Poneo, Phears & Maldovan
Kevin Rowley, St. Francis Hospital
Helen Sloat, Nelson Mullins
Dan Sweitzer, Floyd Medical Center
Kevin C. Taylor, Archbold Memorial Hospital
Monty Veazey, Georgia Alliance of Community Hospitals
L. Fressell Watkins, Powell Goldstein
Martha Wigton, GA House Appropriations
Deborah Winegard, Medical Association of Georgia

STAFF PRESENT

Valerie Hepburn
Jamillah McDaniel
Rhathelia Stroud, Esq.
Stephanie Taylor

WELCOME AND INTRODUCTIONS

The meeting of the Ambulatory Surgical Services Technical Advisory Committee (TAC) convened at 1:35 pm. Dr. Baker called on members to introduce themselves. Following member introductions, Valerie Hepburn told members that Michael Alexander, Chief Executive Officer, Candler County Hospital, has resigned from the TAC indicating that conflicting schedules will not allow him to participate at the level that he would like. A copy of his note of resignation is included in member packets. She further noted that Don E. Tomberlin, Sr., Chief Executive Officer, Effingham Hospital has agreed to serve on the committee. Mr. Tomberlin was unable to attend today's meeting and asked Temple Sellers, Esq. to represent him.

Dr. Baker acknowledged the departure of Valerie Hepburn from the Division of Health Planning. He and all TAC members wished her well in her new position at Georgia State University.

REVIEW AND APPROVAL OF MINUTES OF MEETING OF MAY 6, 2003

Dr. Baker asked for a motion to accept the minutes of May 6, 2003 meeting. Bill Richardson indicated that he understood Mr. Reese, in his overview of the current regulatory framework to the TAC, to say that the TAC would not have purview over any aspects of the LNR or the issue of whether general surgery is a single or multispecialty. Ms. Hepburn concurred with respect to LNRs and the group agreed that the minutes reflected that position. With respect to "general surgery", Ms. Hepburn and other members of the TAC reflected that Mr. Reese said that the Department considers general surgery a multi-specialty service and would not be open to a request to change that stance. It is, not, however outside the purview of the committee—though the practical implications may be the same. Ms. Hepburn indicated that Division staff would confer with Mr. Reese to clarify his remarks and will defer acceptance of the minutes until the next meeting.

REVIEW DATA, INFORMATION AND OTHER MATERIALS

Dr. Baker called on Ms. Hepburn to review all of the data reports and other information that was provided to the TAC. Ms. Hepburn indicated that the following data and materials were mailed to TAC members prior to the meeting:

- Overview of ambulatory surgical specialties, as defined by national organizations and in other states
- Summary of certificate-of-need planning guidelines from other states
- Data from HCA Ambulatory Surgical Centers
- Data on top procedures performed in ambulatory surgical centers, based on billings to Medicaid and the Public Employees Health Benefits programs.
- List of all ambulatory surgical centers licensed by the Office of Regulatory Services (single specialty physician-owned and multispecialty centers).

Information in today's packet include:

- Revised TAC member list
- Michael Alexander's Note of Resignation to the TAC
- Guidelines on Ambulatory Anesthesia and Surgery and Office-based Anesthesia from the American Society of Anesthesiologists
- Department of Community Health's Template for Indigent and Charity Care

- Need Methodologies for Ambulatory Surgery Services for Selected States
- Planning Principles Worksheet

Kevin Chilvers provided copies of a document entitled "Ambulatory Surgery Centers", Industry Report, June 2003. Value Management Group, a proprietary concern, authored this document. He received permission from the Group to share this report with members of the TAC. He asked members to contact the company directly to receive relevant permission prior to any redistribution. He reviewed some of the highlights of the report including:

- Escalating health care costs in excess of inflation is considered the primary factor in the development and increased utilization of surgery centers
- Procedures performed on an outpatient basis generally cost between 30% and 60% less than the same procedures in a hospital setting
- Demand for outpatient surgery will grow over the next decade, driven by growth in the 55-plus year old population (utilization rates for many outpatient surgical procedures appear to be directly correlated to age)
- Ophthalmology was the largest surgical specialty, representing 27% of all surgical cases performed in ambulatory surgery centers, gastroenterology is the 2nd largest specialty by volume, representing 23% of the total cases. Other large volume specialties include orthopedics, gynecology, plastic surgery and ENT

A few members engaged in a brief discussion about "deaths in ambulatory surgery centers in the State of Florida". Ms. Hepburn noted that it was her understanding that many of the issues in these facilities were health/safety (licensure issues) and were not issues related to Certificate of Need. Florida no longer regulates ambulatory surgery services through the Certificate of Need process. Dr. DeLoach indicated that many of the quality of care issues in the facilities in question were resolved between the providers and the state regulators. Ms. Zafiratos indicated that she would contact the State of Florida to get some clarification about the licensure/quality of care issues surrounding patient deaths and will report any findings back to the TAC at the next meeting.

DISCUSSION OF GENERAL PLANNING PRINCIPLES AND POSSIBLE APPROACHES

Dr. Baker called on Ms. Hepburn to lead the discussion regarding the next steps in the development of draft ambulatory surgery services guidelines. Ms. Hepburn indicated that, an outline of the broad categories of planning principles is included in member packets. Space is provided next to each category so that members could indicate any notes during the deliberation process. Also, she reminded members that copies of the state's current plan and rules were provided at the first meeting. Sample need methodologies of selected states and the Department's template for indigent and charity care is included in today's member packets. It is hoped that these resources would provide a starting-ground for the committee's discussions.

Based on committee recommendations, Ms. Hepburn indicated that Division staff will draft optional guidelines and will mail them to the TAC for input. Following the TAC's July meeting and a redraft of the proposed rules, a public forum will be held to allow every opportunity for public input. It is hoped that the committee will work to provide a proposed plan and guidelines to the Health Strategies Council at their November 2003 meeting. Following the adoption of the proposed component plan by the Health Strategies

Council, the proposed rules would be forwarded to the Board of Community Health for posting and approval. It is expected that the proposed rules could be ready for implementation by February 2004.

Committee members discussed the following planning principles:

Planning Area

Ms. Hepburn indicated that planning area is a critical component of the need methodology. The current ambulatory surgery guidelines use 13 health planning areas (HPA). She noted however that several plans including (Short Stay General Hospital, Radiation Therapy Services, Perinatal Services (Basic and Intermediate), Nursing Facilities, Personal Care Homes, and Home Health Services) currently use State Service Delivery Regions (SSDRs). The Short Stay General Hospital TAC, during their plan update process, recommended the use of SSDRs. These planning boundaries are used by many agencies for economic and community development planning. In order to ensure uniformity between agencies and common delivery regions, the Short Stay General Hospital TAC recommended that the Department use SSDRs. Ambulatory Surgical Services TAC members requested and were provided copies of the SSDRs. An analysis of the impact of such a change was also provided. A motion that the Division use SSDRs to define the planning areas for ambulatory surgical services as opposed to HPA was made by Sylvia Caley, seconded by David Tatum and adopted by the TAC. This motion was opposed by 3 members

Planning Horizon

Ms. Hepburn said that the planning horizon is used to project need for services over a period of time. She said that the Department uses a five-year planning horizon for acute care services and 3 years for long term care services. TAC members voted unanimously to accept a five-year planning horizon for ambulatory surgery services.

Indigent/Charity Care

Ms. Hepburn indicated that the Department's template for indigent and charity care is included in member packets. She said that historically, the Department has established a minimum commitment of 3% of adjusted gross revenues (AGR) for all applicants. The only area where this commitment is different is for Positron Emission Topography (PET) services. Because Medicaid does not cover payment for this service and because the Department wanted to assure access to care regardless of ability to pay, the Positron Emission Topography TAC established a 5% indigent/charity care commitment for all applicants.

Some members recommended a 10% Adjusted Gross Revenue (AGR) commitment for all applicants that trigger the CON rules. Other members argued that the largest number of ambulatory surgery providers (those not within the purview of the Department) are not required to have an indigent/charity care commitment and that it would not be fair to require CON applicants to commit to provide indigent/charity care in the amount of 10% AGR. Ms. Hepburn emphasized that there is no mechanism to require non-regulated providers, to meet such indigent care commitments. Some members suggested that, at the very least, they would like to recommend to the Board of Community Health that approved single-specialty surgery providers be required to meet some minimum amount of indigent/charity care. A motion to require all applicants seeking to establish or expand ambulatory surgery services to provide indigent/charity care at minimum level of 3% AGR, was made by David Tatum, seconded by Sylvia Caley and adopted by the TAC. This motion was opposed by 3 members.

Quality of Care

Ms. Hepburn indicated that the state's current guidelines require accreditation by Joint Commission for Accreditation of Healthcare Organizations, (JCAHO), Accreditation Association for Ambulatory Health Care (AAAHC), the American Association for Accreditation of Ambulatory Surgery Facilities, Inc., (ASF) or other appropriate agencies. Additionally, hospital affiliation and transfer agreements, credentialing processes and letters of intent to comply with all appropriate licensure regulations are among Georgia's required quality guidelines. Ms. Hepburn indicated that recently she spoke with Thomas Gadacz, MD, Chief of Surgery, Medical College of Georgia. He mentioned that one of the pressing issues facing ambulatory surgery is the need for physicians to adequately identify co-morbidity factors before anesthesia. Dr. DeLoach indicated that American College of Surgeons (ACS) and American Society of General Surgeons (ASGS) have recently issued quality of care guidelines. He has committed to sharing these guidelines with the TAC and recommended that providers be required to make a commitment to adhere to these standards. The TAC unanimously recommended that any provider seeking to expand services should have no outstanding licensure issues.

Data Collection

Ms. Hepburn indicated that ambulatory surgery providers are required to execute a survey for the Department. The survey requests both financial data and information regarding such items as patient origin, number of operating rooms, etc. The committee acknowledged that greater than 75% of all ambulatory surgery providers are not required to submit this data to the Department because there are no reporting requirements for those facilities that are exempt from the CON process.

Need Methodology

Ms. Hepburn indicated that the current need methodology looks at number of patients/day. Some members argued that it would be more accurate to look at the number of procedures/per day. TAC members requested data that shows the number of procedures/patients in the state. The committee recognized that there are good arguments for either looking at patients or procedures/day. The need could be underestimated if the Division only captured the number of patients. Conversely, if the need methodology only examined the number of procedures, there could be an overestimation of the need for services. Ms. Hepburn indicated that one area that the committee needs to consider is how to treat those facilities that have been approved but are not yet operational. She said that often there is a lag between the time that facilities are approved and the time when these facilities come on-line.

OTHER ISSUES AND ADDITIONAL INFORMATION

Ms. Hepburn said that she would draft some very general guidelines for review and consideration, based on today's TAC meeting, and will send it out to the TAC prior to the next meeting. Members were encouraged to send suggested changes for incorporation and for presentation to the TAC on July 22nd.

SCHEDULE FOR NEXT MEETINGS

TAC members agreed that Tuesday, July 22nd and Tuesday, August 26th, starting at 12:30 pm – 3:30pm would be the next two regularly scheduled meeting dates. Both meetings will be held at 2 Peachtree Street, 34th Floor Conference Room. Members proposed August 7th or 8th as potential meeting dates for the public forum. Kevin Chilvers offered Coliseum Medical Center in Macon, Georgia as a potential meeting place to host the public forum.

PUBLIC COMMENTS
No one indicated the desire to speak at today's meeting.

ADJOURNMENT
There being no further business, the meeting adjourned at 3:40 pm.

Minutes taken on behalf of Chair by Stephanie Taylor and Valerie Hepburn.

Respectfully Submitted

William "Buck" Baker, Jr., MD, Chair